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PEDERAL CONSUMERATIONS COMMISSION
OFFICE OF STORESTAN

Re: Docket 93-48

Policies and Rules Concerning Children's

Television Programming Practices

Dear Mr. Caton:

June 15, 1994

Pursuant to the Commission's Public Notice of April 20, 1994, I enclose herewith an original and nine copies of the prepared statement of Johnathan Rodgers, President, CBS Television Stations Division, for his appearance at the Commission's <u>en banc</u> hearing on children's television. Included with the statement are a brief biography of Mr. Rodgers and a summary of his remarks.

Sincerely,

William F. Caton Acting Secretary

Federal Communications Commission

1919 M Street NW

Washington, D.C. 20554

cc: Larry A. Miller (21 copies)

Video Services Division

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## CBS/BROADCAST GROUP

CBS Television Network, CBS Entertainment, CBS News, CBS Sports, CBS Television Stations, CBS Radio, CBS Enterprises, CBS Inc., 51 West 52 Street, New York, New York 10019-6188 (212) 975-4321



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#### BEFORE THE FEDERAL COMMUNICATIONS COMMISSION EN BANC HEARING ON CHILDREN'S TELEVISION

Statement by Johnathan Rodgers President CBS Television Stations Division

My name is Johnathan Rodgers, and I am President of the CBS Television Stations Division. I appreciate the opportunity to appear here today to discuss what I believe are some of the economic issues surrounding the presentation of educational and informational children's programming by commercial television stations.

My own perspective on these issues comes as one who has long been involved in buying, producing and scheduling programming for the CBS Owned television stations, first as the General Manager of WBBM-TV and then in my current position. I am also, of course, familiar with the efforts of the CBS Television Network in the area of children's programming, although I am not here as a representative of the network today.

In the Children's Television Act, Congress required each commercial television station to present some educational and informational programming for children. I believe that our industry has taken that obligation very seriously. The program production and syndication marketplace is responding to the Act with more and more product, and television networks and stations are, in my experience, making a good faith effort to acquire and schedule children's programming in a responsible way.

At CBS, for example, we have brought the criticallyacclaimed children's science program, BEAKMAN'S WORLD, to
network television. And on a local level, each of the CBS
Owned television stations presents at least one weekly
standard-length program meeting the requirements of the
Act. These programs have ranged from WBBM-TV's
locally-produced DIFFERENT DRUMMERS, a discussion program
for teenagers which has been cited for its community
service on numerous occasions, to such award-winning
syndicated programs as NICK NEWS and ADVENTURES IN
WONDERLAND.

In seeking to meet the objectives of the Children's
Television Act in a meaningful way, it is our challenge to
present programming which is not only educational, but
sufficiently entertaining so that children will watch it.

That is not an easy task in today's multichannel universe, in which we are witnessing an explosion in the viewing choices available to children, no less than adults.

The details of this explosion in choice are by now a familiar litany. Since 1975, the number of independent television stations has more than quadrupled. Fox has emerged in just seven years as a full-fledged network.

Nearly two thirds of television homes now subscribe to cable, while 79 percent of such homes have VCRs. DBS is on the horizon, not to mention the information superhighway -- which, some say, is just around the corner.

In 1955, when CBS began offering its pioneering children's series, CAPTAIN KANGAROO, the average household had access to only three channels. Substantial audiences came to those channels because there was nowhere else to go.

Our current pioneering network series, BEAKMAN'S WORLD, is being offered in an era when the average household has access to 39 broadcast and cable channels, as well as home video. To state the obvious once more, the competition for audiences -- child and adult -- has become increasingly intense, in an environment of channel abundance that the FCC, the Congress and the Administration is actively encouraging.

My central message here today is that the goals of the Children's Television Act should be allowed to work together with, not against, broadcasters' natural incentive to reach large audiences with high-quality programming. That can only happen if the FCC's regulatory scheme is implemented in a way that takes into account the economic realities of the broadcast business.

The first of these economic realities is that substantial amounts of educational and informational children's programming is now available in the video marketplace as a result of normal economic incentives. It is no accident, for example, that much high-quality children's programming is found on PBS, the Nickelodeon cable network and on the Disney Channel. None of these outlets relies exclusively on audience-based advertising sales to survive, so that their audiences need not be nearly as large as advertiser-supported broadcast audiences to make the programming economically viable.

Public broadcasting is subsidized by government and by its viewers, who place a value on PBS's program schedule, including its deservedly acclaimed children's programming, and provide much of its monetary support.

Nickelodeon and Disney do not provide their schedules of children's programming out of altruism. Rather, they have chosen to appeal to that audience because it is profitable for them to do so, even if their audiences are smaller than broadcast audiences. The reason Nickelodeon is profitable is that it successfully fills a niche by targeting young viewers and shares in basic cable subscription revenues. Disney, of course, is a premium channel available to cable subscribers for an extra monthly charge.

The second economic reality is that audiences no longer come to broadcast stations and networks like they did in the age of Captain Kangaroo. We have to go to great lengths to attract them with high-quality entertainment and production values. Unlike cable-based program services, we are a mass medium which must support itself with advertising revenue only. Thus, our success is dependent on our reaching as large a number of people with our programming as possible. If over-the-air broadcasting doesn't act on that incentive, it will wither and die.

Given these economic realities, I submit that proposals for stepping up regulatory oversight in the children's area -- either with weekly programming quotas or a narrow definition of "educational and informational"

programming -- are fundamentally misguided.

There is a market for quality children's educational programming on commercial broadcast television, but it is constricted by the program choices that are already available from public television, and from cable based distributors which have normal economic incentives to provide such programming. And, it is a market which cannot be enlarged or satisfied by government fiat. The FCC could not regulate the quality of a television program, even if it wanted to. Nor can it require children to watch government-favored programs that meet its definition of "educational."

I would guess that CBS would not have committed the resources to bringing BEAKMAN'S WORLD to network television if our owned or affiliated stations were required to broadcast an hour a day of children's educational programming. Such a standard would have driven us inexorably to find a way to spread our programming dollars around more thinly.

The flexibility which Congress built into the Children's Television Act makes sense and was intentional. Congress set precise commercial time limits and could have set mandatory programming standards if it so chose, but it

did not adopt that course. The flexible approach chosen instead allows broadcasters to budget development money to build in attractive entertainment values in their children's programming, and to concentrate resources on providing audience-drawing quality rather than lowest-common-denominator quantity. That is what CBS did with BEAKMAN'S WORLD and it is what we try to do at our owned stations.

Thus, program quotas are unnecessary and would be counterproductive. It must also be noted that quotas, at least ones requiring the broadcast of weekday children's programming on network affiliates, would be punitive. To comply with such a requirement, affiliates would either have to displace news programming or some of their most profitable afternoon and evening shows — which, of course, help contribute the resources necessary for providing children's programming in the first place.

CBS is committed to compliance with the objectives of the Children's Television Act, a commitment we believe is widely shared in the industry. We urge the Commission not to adopt regulatory measures which would upset the careful balance struck by Congress in crafting this important legislation, and which would force broadcasters to emphasize quantity, rather than quality, in their children's programming.

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
EN BANC HEARING ON CHILDREN'S TELEVISION
Summary of Statement

by
Johnathan Rodgers
President
CBS Television Stations Division

In today's multichannel universe, it is essential that the goals of the Children's Television Act be allowed to work together with, not against, broadcasters' natural incentive to reach large audiences with high quality programming. That can only happen if the FCC's regulatory scheme is implemented in a way that takes into account the economic realities of the broadcast business.

The first of these economic realities is that substantial amounts of educational and informational children's programming is now available in the video marketplace as a result of normal economic incentives. It is no accident, for example, that much high-quality children's programming is found on PBS, the Nickelodeon cable network and on the Disney Channel. None of these outlets relies exclusively on audience-based advertising sales to survive, so that their audiences need not be nearly as large as advertiser-supported broadcast audiences to make the programming economically viable.

The second economic reality is that audiences no longer come to broadcast stations and networks like they did in the age of Captain Kangaroo. Rather, broadcasters must go to great lengths to attract viewers with high-quality entertainment and production values. Unlike cable-based program services, broadcasting is a mass medium which must support itself with advertising revenue only. Thus, its success is dependent on reaching as large a number of people with its programming as possible.

Given these economic realities, proposals for stepping up regulatory oversight in the children's area -- either with weekly programming quotas or a narrow definition of "educational and informational" programming -- are fundamentally misguided.

There is a market for quality children's educational programming on commercial broadcast television, but it is constricted by the program choices that are already available from public television, and from cable based distributors which have normal economic incentives to provide such programming. This market cannot be enlarged by government fiat. The FCC can neither mandate program quality, nor require children to watch government-favored programs that meet its definition of "educational."

The flexible approach which Congress chose in adopting the Children's Television Act makes sense, because it allows broadcasters to budget development money to build in attractive entertainment values in their children's programming, and to concentrate resources on providing audience-drawing quality rather than lowest-commondenominator quantity.

Program quotas are unnecessary and would be counterproductive. Such quotas, at least ones requiring the broadcast of weekday children's programming on network affiliates, would also be punitive. To comply with such a requirement, affiliates would either have to displace news programming or some of their most profitable afternoon and evening shows -- which help contribute the resources necessary for providing children's programming in the first place.

CBS is committed to compliance with the objectives of the Children's Television Act, a commitment we believe is widely shared in the industry. We urge the Commission not to adopt regulatory measures which would upset the careful balance struck by Congress in crafting this important legislation, and which would force broadcasters to emphasize quantity, rather than quality, in their children's programming.

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#### JOHNATHAN RODGERS

# President CBS Television Stations Division

Johnathan Rodgers was appointed President, CBS Television Stations Division in August 1990. Prior to assuming this position, he had been Vice President and General Manager WBBM-TV, the CBS Owned station in Chicago, since March 1986.

Rodgers joined CBS in 1976 as Assistant News Director at WBBM-TV. From 1978 to 1983, he worked at KCBS-TV (then KNXT), the CBS Owned station in Los Angeles, where he served as Executive Producer, News Director and then Station Manager. Rodgers moved to CBS News in New York in March 1983 as Executive Producer of NIGHTWATCH, and in November 1983, he was named Executive Producer of the weekend editions of the CBS EVENING NEWS. In 1985, he became Executive Producer of the CBS MORNING NEWS.

Rodgers has also been a reporter for WKYC-TV, Cleveland, and a producer for WNBC-TV in New York. He began his career in journalism as a writer-reporter at <u>Sports Illustrated</u>, and later moved to <u>Newsweek</u> as an associate editor.

Rodgers holds a B.A. in journalism from the University of California at Berkeley and an M.A. in communications from Stanford University.

June 1994